



DOUGLAS A. DUCEY
GOVERNOR

STATE OF ARIZONA
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

March 22, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

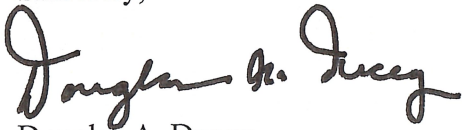
Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 1st Regular Session, which I signed on March 22nd, 2019:

SB 1004 insurance; surplus lines; reports; payments (Livingston)
SB 1006 internationally active insurance groups; supervision (Livingston)
SB 1008 insurance; prohibited inducements; exceptions (Livingston)
SB 1021 commission for postsecondary education; continuation (S. Allen)
SB 1052 certificates of title; applications (Livingston)
SB 1072 early voting centers; identification required (Ugenti-Rita)
SB 1093 prisoner accounts; use; ADOT credentialing. (Livingston)
SB 1113 insurance; information practices (Livingston)
SB 1212 prepaid legal insurance contracts; definition (Livingston)
SB 1218 beneficiary deeds; separate property; nonlapse (Leach)
SB 1309 renewal of judgments; applicability (E. Farnsworth)
SB 1317 bodily fluids exposure; testing (Boyer)
SB 1333 real estate appraisal (Mesnard)
SB 1474 POW/MIA flag; display (Contreras)
HB 2004 nuclear management fund; appropriation; assessment (Kavanagh)
HB 2007 ASRS; political subdivision plans; adjustments (Kavanagh)
HB 2009 navigable stream adjudication commission; extension (Griffin)
HB 2023 political signs; ballot measures; tampering (Kavanagh)
HB 2112 community property award; convicted spouse (Griffin)
HB 2230 writ of garnishment; certified mail (J. Allen)
HB 2284 credit unions; declaration of purpose (Weninger)
HB 2363 tax lien sales; procedures (Toma)
HB 2421 animal cruelty; working animal; harassment (Blackman)
HB 2463 occupational regulations; licenses; communications; notice (Petersen)

HB2464 water infrastructure finance; municipal approval (Shope)

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is written in a cursive style with a large initial "D" and a stylized "A".

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed
FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 19
SENATE BILL 1218

AN ACT

AMENDING SECTION 33-405, ARIZONA REVISED STATUTES; RELATING TO BENEFICIARY
DEEDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 33-405, Arizona Revised Statutes, is amended to
3 read:

4 33-405. Beneficiary deeds; recording; definitions

5 A. A deed that conveys an interest in real property, including any
6 debt secured by a lien on real property, to a grantee beneficiary
7 designated by the owner and that expressly states that the deed is
8 effective on the death of the owner transfers the interest to the
9 designated grantee beneficiary effective on the death of the owner subject
10 to all conveyances, assignments, contracts, mortgages, deeds of trust,
11 liens, security pledges and other encumbrances made by the owner or to
12 which the owner was subject during the owner's lifetime.

13 B. A beneficiary deed may designate multiple grantees who take
14 title as joint tenants with right of survivorship, tenants in common, a
15 husband and wife as community property or as community property with right
16 of survivorship, or any other tenancy that is valid under the laws of this
17 state. UNLESS THE BENEFICIARY DEED PROVIDES OTHERWISE, THE INTEREST IN
18 REAL PROPERTY CONVEYED BY A BENEFICIARY DEED IS THE SEPARATE PROPERTY OF
19 THE NAMED GRANTEE BENEFICIARY AND IS NOT COMMUNITY PROPERTY.

20 C. A beneficiary deed may designate a successor grantee
21 beneficiary. If the beneficiary deed designates a successor grantee
22 beneficiary, the deed shall state the condition on which the interest of
23 the successor grantee beneficiary would vest. UNLESS THE BENEFICIARY DEED
24 PROVIDES OTHERWISE, IF THERE ARE NO GRANTEE BENEFICIARIES NAMED IN THE
25 BENEFICIARY DEED WHO SURVIVE THE OWNER, THE BENEFICIARY DEED IS VOID AND
26 SECTION 14-2603 DOES NOT APPLY.

27 D. If real property is owned as joint tenants with the right of
28 survivorship or as community property with the right of survivorship, a
29 deed that conveys an interest in the real property to a grantee
30 beneficiary designated by all of the then surviving owners and that
31 expressly states that the deed is effective on the death of the last
32 surviving owner transfers the interest to the designated grantee
33 beneficiary effective on the death of the last surviving owner. If a
34 beneficiary deed is executed by fewer than all of the owners of real
35 property owned as joint tenants with right of survivorship or community
36 property with right of survivorship, the beneficiary deed is valid if the
37 last surviving owner is one of the persons who executes the beneficiary
38 deed. If the last surviving owner did not execute the beneficiary deed,
39 the transfer shall lapse and the deed is void. An estate in joint tenancy
40 with right of survivorship or community property with right of
41 survivorship is not affected by the execution of a beneficiary deed that
42 is executed by fewer than all of the owners of the real property, and the
43 rights of a surviving joint tenant with right of survivorship or a
44 surviving spouse in community property with right of survivorship shall
45 prevail over a grantee beneficiary named in a beneficiary deed.

1 E. A beneficiary deed is valid only if the deed is executed and
2 recorded as provided by law in the office of the county recorder of the
3 county in which the property is located before the death of the owner or
4 the last surviving owner. A beneficiary deed may be used to transfer an
5 interest in real property to the trustee of a trust even if the trust is
6 revocable.

7 F. A beneficiary deed may be revoked at any time by the owner or,
8 if there is more than one owner, by any of the owners who executed the
9 beneficiary deed. To be effective, the revocation must be executed and
10 recorded as provided by law in the office of the county recorder of the
11 county in which the real property is located before the death of the owner
12 who executes the revocation. If the real property is owned as joint
13 tenants with right of survivorship or community property with right of
14 survivorship and if the revocation is not executed by all the owners, the
15 revocation is not effective unless executed by the last surviving owner.

16 G. If an owner executes and records more than one beneficiary deed
17 concerning the same real property, the last beneficiary deed that is
18 recorded before the owner's death is the effective beneficiary deed.

19 H. This section does not prohibit other methods of conveying
20 property that are permitted by law and that have the effect of postponing
21 enjoyment of an interest in real property until the death of the owner.
22 This section does not invalidate any deed otherwise effective by law to
23 convey title to the interests and estates provided in the deed that is not
24 recorded until after the death of the owner.

25 I. The signature, consent or agreement of or notice to a grantee
26 beneficiary of a beneficiary deed is not required for any purpose during
27 the lifetime of the owner.

28 J. A beneficiary deed that is executed, acknowledged and recorded
29 in accordance with this section is not revoked by the provisions of a
30 will.

31 K. A beneficiary deed is sufficient if it complies with other
32 applicable laws and if it is in substantially the following form:

33 Beneficiary Deed

34 I (we) _____ (owner) hereby convey
35 to _____ (grantee beneficiary) effective on my (our)
36 death the following described real property:

37 (Legal description)

38 If a grantee beneficiary predeceases the owner, the
39 conveyance to that grantee beneficiary shall either (choose
40 one):

1 [] Become null and void.
2 [] Become part of the estate of the grantee
3 beneficiary.

4 _____
5 (Signature of grantor(s))
6 (acknowledgment).

7 L. The instrument of revocation shall be sufficient if it complies
8 with other applicable laws and is in substantially the following form:

9 Revocation of Beneficiary Deed

10 The undersigned hereby revokes the beneficiary deed
11 recorded on _____ (date), in docket or book _____
12 at page _____, or instrument number _____, records
13 of _____ county, Arizona.

14 Dated: _____

15 _____
16 Signature

17 (acknowledgment).

18 M. For the purposes of this section:

19 1. "Beneficiary deed" means a deed authorized under this section.

20 2. "Owner" means any person who executes a beneficiary deed as
21 provided in this section.

APPROVED BY THE GOVERNOR MARCH 22, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 22, 2019.

Passed the House March 14, 2019,

Passed the Senate February 14, 2019,

by the following vote: 59 Ayes,

by the following vote: 30 Ayes,

0 Nays, 1 Not Voting

0 Nays, 0 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

18th day of March, 2019,

at 1:50 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 22nd day of

March, 2019,

at 2:48 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 22 day of March, 2019,

at 4:01 o'clock P. M.

[Signature]
Secretary of State

S.B. 1218